

Registered Number:03072124

England and Wales

BANGOR CITY FOOTBALL CLUB LTD

Filleted Financial Statements

For the year ended 31 December 2019

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BANGOR CITY FOOTBALL CLUB LTD

**Report of the Director and Audited Financial Statements
For the year ended 31 December 2019
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BANGOR CITY FOOTBALL CLUB LTD
Company Information

Director	Mr Domenico Giuseppe Serafino
Registered Number	03072124
Registered Office	Nantporth Stadium Holyhead Road Bangor Gwynedd LL57 2HQ
Auditor	Somers Baker Prince Kurz LLP Statutory and Registered Auditor Chancellors House Brampton Lane London NW4 4AB

BANGOR CITY FOOTBALL CLUB LTD
Statement of Financial Position As at 31 December 2019

	Notes	2019 £	2018 (restated) £
Fixed assets			
Property, plant and equipment	3	337,110	384,141
		<u>337,110</u>	<u>384,141</u>
Current assets			
Trade and other receivables	4	79,706	60,332
Cash and cash equivalents		78	85
		<u>79,784</u>	<u>60,417</u>
Trade and other payables: amounts falling due within one year	5	(250,260)	(413,936)
Net current liabilities		<u>(170,476)</u>	<u>(353,519)</u>
Total assets less current liabilities		<u>166,634</u>	<u>30,622</u>
Trade and other payables: amounts falling due after more than one year	6	(507,760)	(235,269)
Provision for liabilities		<u>(33,335)</u>	<u>(45,825)</u>
Net liabilities		<u>(374,461)</u>	<u>(250,472)</u>
Capital and reserves			
Called up share capital		608	498
Share premium account		602,317	492,522
Retained earnings		(977,386)	(743,492)
Shareholders' funds		<u>(374,461)</u>	<u>(250,472)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved and authorised for issue by the Board on 21 August 2020 and were signed by:


Mr Domenico Giuseppe Serafino
Director

Registered Number : 03072124

The notes form part of these financial statements

BANGOR CITY FOOTBALL CLUB LTD

Notes to the Financial Statements For the year ended 31 December 2019

Statutory Information

BANGOR CITY FOOTBALL CLUB LTD is a private limited company, limited by shares, domiciled in England and Wales, registration number 03072124. Its registered address is Nantporth Stadium, Holyhead Road, Bangor, Gwynedd, LL57 2HQ.

The presentation currency is £ sterling, which is the functional currency of the Company.

1. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The financial statements have been prepared on the going concern basis. Attention is drawn to the material uncertainty of the going concern status of the Company due to significant loss in the year and the excess of total liabilities over total assets shown in the statement of financial position. Additionally, as disclosed in note 11, there is a contingent liability which, if realised, would create further material uncertainty in respect of going concern. In the Director's opinion the contingent liability will not be realised and the Company will continue to obtain financial support from its majority shareholder sufficient to continue as going concern.

Property, plant and equipment

Property, plant and equipment, other than freehold land, are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of property, plant and equipment, less their estimated residual value, over their expected useful lives on the following basis:

Land and Buildings	5% per annum on cost
Plant and Machinery	15% reducing balance

Grants received

Grants received from the Football Association of Wales towards capital expenditure are released to the profit and loss account over the lifetime of the capital item funded by the grant.

Deferred tax

Deferred tax is recognised in respect of timing differences between the tax allowances on property, plant and equipment and the depreciation recognised in the accounts at the reporting date using future rates enacted or substantively enacted for the period when the timing differences will be unwound.

Debtors receivable and creditors payable

Debtors and creditors with no stated interest rate which are receivable or payable within one year are recorded at transaction price and are classified as due within one year. All other debtors and creditors are classified as due after one year.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price, including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date because of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2. Turnover

Turnover represents amounts due from match ticket sales, sundry income arising on match days and advertising income, as well as income from licensing the use of facilities. Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax or other similar sales taxes. Where advertising space or facilities licensing is sold, the income is recognised on a straight-line basis over the agreed advertising or license period.

BANGOR CITY FOOTBALL CLUB LTD
Notes to the Financial Statements for the
year ended 31 December 2019 (continued)

3. Property, plant and equipment

	Land and Buildings	Plant and Machinery	Total
Cost	£	£	£
At 1 January 2019	146,737	517,283	664,020
At 31 December 2019	<u>146,737</u>	<u>517,283</u>	<u>664,020</u>
Provision for depreciation			
At 1 January 2019	27,223	252,656	279,879
Charge for year	7,337	39,694	47,031
At 31 December 2019	<u>34,560</u>	<u>292,350</u>	<u>326,910</u>
Net book value			
At 31 December 2019	<u>112,177</u>	<u>224,933</u>	<u>337,110</u>
At 31 December 2018	<u>119,514</u>	<u>264,627</u>	<u>384,141</u>

4 .Trade and other receivables

	2019	2018 (restated)
	£	£
Trade receivables	4,040	2,500
Taxation and social security	5,266	632
Other debtors	70,400	57,200
	<u>79,706</u>	<u>60,332</u>

5. Trade and other payables: amounts falling due within one year

	2019	2018 (restated)
	£	£
Bank loans and overdrafts	6,869	9,929
Trade creditors	23,391	21,455
Taxation and social security	-	5,641
Accruals and deferred income	14,000	-
Directors' loan account	-	170,911
Other creditors	206,000	206,000
	<u>250,260</u>	<u>413,936</u>

BANGOR CITY FOOTBALL CLUB LTD

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

7. Trade and other payables: amounts falling due after more than one year

	2019	2018 (restated)
	£	£
Amounts owed to group undertakings	298,013	-
Accruals and deferred income	209,747	235,269
	507,760	235,269

8. Related party transactions

During the year, 10,990 new ordinary shares of nominal value of £0.01 each were issued for a total consideration of £109,905 to Sudaires S.R.L, the company's parent undertaking, in which the Director holds a controlling shareholding. Pursuant to this transaction £109,905 representing the aggregate of amounts owed to Mr S Vaughan, a former director of the Company, and Vaughan Sports Management Ltd, a company controlled by Mr S Vaughan, were waived.

During the year Mr S Vaughan was reimbursed for Company expenses amounting to £8,360 (2018: £5,512).

During the year, Sudaires S.R.L advanced £298,013 (2018: nil) to the Company to fund operating expenditure. The balance owed to Sudaires S.R.L. at the financial year end and included in amounts falling due after more than one year was £298,013 (2018: nil).

9. Average number of persons employed

During the year the average number of employees was 9 (2018 : 35).

10. Parent company

The parent undertaking of the club is Sudaires S.R.L. a company incorporated in Italy, with registered address at 39 Ripa di Porta Ticinese, 20143, Milano, Italy, by virtue of its majority shareholding in the Company. The ultimate controlling party is Mr Domenico Giuseppe Serafino.

11. Contingent Liabilities

The Company is in discussions with the Football Association of Wales concerning the alleged breach of the terms of a £362,000 grant awarded to the club, and the possibility that this grant will need to be repaid in full. In the Director's opinion, it is unlikely that the grant will be repayable, and so no provision has been made in the financial statements. If the grant were repayable, this would add material uncertainty to the status of the Company as a going concern. £152,253 of the grant has been recognised as income to date, and the remaining £209,747 is included within deferred income due after one year.

12. Prior year adjustment

Certain accounting errors have been identified, principally in relation to income from licensing of the club's facilities. These errors have been corrected via a prior year adjustment. The effect of the error is to increase opening reserves at 1 January 2018 by £41,140 with a corresponding increase in other debtors. Furthermore, the loss for the year ending 31 December 2018 has been decreased by £134,393 to a loss of £62,555 after adjusting for numerous items. Correspondingly, the statement of financial position for the year ending 31 December 2018 has been restated as follows

Financial statement balance	Balance before restatement	Effect of restatement	Restated balance
Property, plant, and equipment	367,704	16,437	384,141
Stocks	1,606	(1,606)	-
Trade and other receivables	68,493	(8,161)	60,332
Cash at bank and in hand	59	26	85
Trade and other payables: amounts falling due within one year	484,310	(70,374)	413,936
Trade and other payables: amounts falling due after more than one year	292,509	(57,240)	235,269
Provisions for liabilities	45,908	(83)	45,825

BANGOR CITY FOOTBALL CLUB LTD
Notes to the Financial Statements (continued)
For the year ended 31 December 2019

13. Summary of audit report disclosed under section 444(5B) of the Companies Act 2006

Disclaimer of opinion

The auditor were engaged to audit the financial statements of Bangor City Football Club Limited (the 'Company') for the year ended 31 December 2019 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The auditor does not express an opinion on the financial statements of the Company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, the auditor had not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

The Company's management changed in September 2019 and the new management had informed the auditor that it cannot access certain key accounting records. Accordingly, the auditor was unable to obtain sufficient appropriate audit evidence to be able to form an opinion as to whether the financial statements are materially correctly stated. Furthermore, the opening balances were not previously audited and the auditor was unable to obtain sufficient appropriate audit evidence that in all material respects they are correctly stated. As the auditor was unable to form a conclusion as to whether the company's assets and liabilities are materially correctly stated, the auditor were likewise unable to form an opinion as to whether it is appropriate for the director to prepare the financial statements on the going concern basis.

The audit report was signed on 28 August 2020 by

Frank Murray Weinberg FCA, FCCA, CTA (Senior Statutory Auditor)
For and on behalf of Somers Baker Prince Kurz LLP
Chartered Certified Accountants
Statutory and Registered Auditor
Chancellors House
Brampton Lane
London
NW4 4AB